GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2479
ANSWERED ON:07.08.2001
PENDING SCHEMES BEFORE KRIBHCO
RAJO SINGH

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether many schemes are pending with the Krishak Bharti Cooperative Ltd. (KRIBHCO) for final decision ;

(b) if so, since when these are pending alongwith proposed expenditure and escalated expenditure on these schemes, separately ; and

(c) the time by which the Government propose to take a final decision in this regard ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI S.B. MOOKHERJEE)

(a) : Yes Sir.

(b) & (c): KRIBHCO's proposed Joint Venture Fertilizer Project in Oman with IFFCO & Oman Oil Company (estimated cost US$ 960 Million) has already been accorded approval by the Government. The proposed Hazira (Phase-II) Fertilizer Expansion Project (estimated cost Rs.1318 crore) and Gorakhpur Fertilizer Project (estimated cost Rs.1536crore) of KRIBHCO were approved 'in principle' by the Government in April 1999 subject to investment appraisal of these projects by the Public Investment Board (PIB). Investment appraisal of these two urea projects was undertaken by the PIB in July 1999. In June 2000, a proposal for taking a final investment decision on these projects was considered and deferred by the Government. This proposal was formulated taking into account the observations of the PIB regarding the viability of the projects, desirability of encouraging use of liquefied natural gas as feedstock to reduce the incidence of subsidy and the need to stagger implementation of the proposed projects due to limited demand supply gap forecasts.

First stage clearance for preparation of a detailed feasibility report for KRIBHCO's proposed Joint Venture Power Project at Pipavav in Gujarat (estimated cost Rs.2141 crore), was accorded by the Government in November 1998. This proposal has not been submitted for investment approval of the Government so far. KRIBHCO's proposed Joint Venture Fertilizer Project in Iran (estimated cost US$ 470 Million) has also not been submitted to the Government for investment approval. Escalated expenditure, if any, on the proposed projects of KRIBHCO would be known only on completion of these projects.